

Message Text

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PAGE 01 GENEVA 03511 01 OF 02 141323Z

43

ACTION IO-10

INFO OCT-01 EA-06 ISO-00 DEAE-00 CIAE-00 INR-07 JUSE-00

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R 141216Z MAY 75

FM USMISSION GENEVA

TO SECSTATE WASHDC 2898

INFO AMEMBASSY RANGOON

AMEMBASSY BANGKOK

USMISSION USUN

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FOR AMBASSADOR VANCE (S/NM)

EO: 11652: N/A

TAGS: SNAR BM

SUBJ: SHAN STATE PROPOSAL: CONGRESSIONAL HEARINGS

REF: STATE 96013

1. INCB SECRETARY DITTERT HAS PROVIDED FOLLOWING STATEMENT SETTING FORTH HIS AND BOARD PRESIDENT REUTER'S OPINION ON SHAN STATE PROPOSAL. IN ABSENCE MARTENS (HE IS IN EGYPT THROUGH MAY 16), DITTERT SHOWED STATEMENT TO UNFDAC'S ACTING EXECUTIVE DIRECTOR WELLMAN, WHO, ACKNOWLEDGING INCB'S COMPETENCE IN REGARD THIS MATTER, STATED THAT UNFDAC ACCEPTS OPINION AS STATED.

2. DITTERT HAS RECEIVED LETTER FROM CONGRESSMAN WOLF EXPRESSING HIS DELIGHT AT HAVING RECEIVED CONFIRMATION FROM AMBASSADOR VANCE THAT WOLF'S SPECIAL REPORT ON SHAN STATE PROPOSAL HAS BEEN REFERRED TO PRESIDENT/SECRETARY OF INCB AND STATING THAT HE IS SENDING DITTERT ASAP TESTIMONY BEFORE HIS COMMITTEE OF PERSONS WHO HAVE WORKED IN AREA WHICH HE BELIEVES BOARD WILL FIND HELPFUL IN ASSESSING SHAN STATE PROPOSAL. DITTERT IS NOW PREPARING REPLY TO

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PAGE 02 GENEVA 03511 01 OF 02 141323Z

WOLF'S LETTER. HE INDICATES REPLY WILL BE TO EFFECT THAT HIS/-

REUTER'S VIEWS ON SHAN STATE PROPOSAL HAVE ALREADY BEEN COMMUNICATED TO AMBASSADOR VANCE, THAT HE/REUTER LOOK FORWARD TO RECEIVING TESTIMONY WHICH THEY WILL READ WITH INTEREST, AND THAT IF HE/REUTER HAVE ANY FURTHER COMMENTS THESE WILL BE COMMUNICATED TO AMBASSADOR VANCE.

3. TEXT OF REUTER/INCB SECRETARIAT STATEMENT IS AS FOLLOWS:

QUOTE:

"PRE-EMPTIVE BUYING OF OPIUM.

"THIS MEMORANDUM HAS BEEN PREPARED PURSUANT TO A REQUEST MADE BY AMBASSADOR SHELDON B. VANCE, SENIOR ADVISER TO THE SECRETARY OF STATE AND COORDINATOR FOR INTERNATIONAL NARCOTICS MATTERS, TO THE PRESIDENT AND THE SECRETARY OF THE INTERNATIONAL NARCOTICS CONTROL BOARD FOR THEIR OPINION ON A PROPOSAL MADE BY A GROUP IN THE SHAN STATE TO SELL ILLICITLY PRODUCED OPIUM TO THE UNITED STATES GOVERNMENT OR AN INTERNATIONAL BODY.

"THE INTERNATIONAL NARCOTICS CONTROL BOARD IS AN ORGAN CREATED BY TREATY TO SUPERVISE THE IMPLEMENTATION OF THE VARIOUS INTERNATIONAL AGREEMENTS RELATING TO THE CONTROL OF DRUGS. IT IS COMPOSED OF 11 MEMBERS, SERVING IN PERSONAL CAPACITY, WHO REVIEW THE CURRENT DRUG CONTROL SITUATION THROUGHOUT THE WORLD IN ORDER TO DETERMINE WHETHER THE ACTION OR INACTION OF ANY GOVERNMENT IS SERIOUSLY ENDANGERING THE AIMS OF THE CONVENTIONS, I.E. TO ENSURE ADEQUATE SUPPLY OF NARCOTIC RAW MATERIALS TO MEET WORLD MEDICAL NEEDS WHILE AT THE SAME TIME PREVENTING ILLICIT PRODUCTION, TRAFFIC AND USE. THE BOARD FOSTERS INTERNATIONAL COOPERATION TOWARDS ACHIEVING THIS END. IN ADDITION, THE TREATIES ALLOW THE BOARD TO CALL UPON GOVERNMENTS TO ADOPT CERTAIN MEASURES NECESSARY FOR THE EFFECTIVE EXECUTION OF THE PROVISIONS OF THESE AGREEMENTS.

"IT IS THE BOARD'S UNDERSTANDING THAT ARMED GROUPS IN THE SHAN STATE PROPOSE TO INTRODUCE CERTAIN QUANTITIES OF OPIUM PRODUCED IN THAT REGION INTO THE LICIT INTERNATIONAL TRADE. IT HAS BEEN STATED THAT IF THESE QUANTITIES WERE PURCHASED AND PUT TO LEGITIMATE USE, THE AMOUNT OF OPIUM AVAILABLE FOR ILLICIT PURPOSED WOULD THEREBY BE REDUCED.

"THE ENVISAGED TRANSACTION WOULD NO DOUBT RAISE POLITICAL QUESTIONS AFFECTING THE RELATIONS BETWEEN STATES PARTY TO THE 1961 CONVENTION. IT WOULD ALSO PRESENT PRACTICAL DIFFICULTIES SINCE IT WOULD INVOLVE DEALING WITH GROUPS WHICH ARE NOT RECOGNIZED AS LAWFUL AUTHORITIES OF A COUNTRY. APART FROM THESE GENERAL CONSIDERATIONS, LIMITED OFFICIAL USE

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PAGE 03 GENEVA 03511 01 OF 02 141323Z

DERATION, THE FOLLOWING OBSERVATIONS MIGHT BE OF RELEVANCE.

"(1) THE SINGLE CONVENTION ON NARCOTIC DRUGS, 1961, REQUIRES THAT BEFORE ANY PARTY CAN IMPORT OPIUM OTHER THAN THAT SEIZED AS DEFINED BY THE CONVENTION IN THE ILLICIT TRAFFIC, THE OPIUM POPULATION MUST HAVE BEEN CULTIVATED AND THE OPIUM PRODUCED UNDER CLEARLY DEFINED CONTROLS ESTABLISHED BY THE GOVERNMENT IN QUESTION. THE CONVENTION STATES THAT PRODUCING COUNTRIES MUST ESTABLISH A SPECIFIC GOVERNMENTAL AGENCY WHICH WOULD, INTER ALIA, DESIGNATE AREAS

IN WHICH THE CULTIVATION OF THE OPIUM POPPY WOULD BE PERMITTED, LICENSE CULTIVATORS, PURCHASE THE OPIUM CROPS, AND CONTROL THE WHOLESALE TRADE AND EXPORT OF THIS DRUG. ALL PRODUCTION, EXPORT, IMPORT AND USE FOR LICIT PURPOSES ARE REQUIRED BY THE CONVENTION TO BE REPORTED TO THE BOARD.

"THERE IS NO INDICATION THAT THE OPIUM REPORTEDLY OFFERED FROM AN INSURGENT GROUP IN THE SHAN STATE WAS PRODUCED UNDER ANY GOVERNMENTAL CONTROL. IN FACT, INFORMATION AVAILABLE TO THE BOARD LEADS US TO BELIEVE THAT SUCH CULTIVATION AND PRODUCTION IS UNCONTROLLED WITHIN THE MEANING OF THE SINGLE CONVENTION. IF A PARTY, SUCH AS THE UNITED STATES, WERE TO PURCHASE OPIUM PRODUCED UNDER CONDITIONS WHICH ARE OBVIOUSLY IN CONTRAVENTION OF THE TREATY, THERE WOULD BE A CLEAR BREACH OF THE PROVISIONS OF THE CONVENTION AND AN UNDERMINING OF THE INTERNATIONAL NARCOTICS CONTROL SYSTEM.

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PAGE 01 GENEVA 03511 02 OF 02 141346Z

43

ACTION IO-10

INFO OCT-01 EA-06 ISO-00 DEAE-00 CIAE-00 INR-07 JUSE-00

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LIMITED OFFICIAL USE SECTION 2 OF 2 GENEVA 3511

FOR AMBASSADOR VANCE (S/NM)

"(2) ARTICLE 31 OF THE 1961 CONVENTION PROVIDES THAT EXPORT OF NARCOTIC DRUGS SUCH AS OPIUM MUST BE EFFECTED IN COMPLIANCE WITH THE IMPORT CERTIFICATE AND EXPORT AUTHORIZATION SYSTEM. BRIEFLY, THIS MEANS THAT BEFORE A DRUG CAN ENTER INTERNATIONAL LICIT TRADE, THE EXPORTER MUST ACQUIRE AN EXPORT AUTHORIZATION ISSUED BY THE COMPETENT AUTHORITIES OF HIS GOVERNMENT. ARTICLE 18 OF THE CON-

VENTION REQUIRES THAT PARTIES, SUCH AS BURMA, SHALL FURNISH THE SECRETARY-GENERAL THE NAMES AND ADDRESSES OF GOVERNMENTAL OFFICIALS IMPOWERED TO ISSUE EXPORT AUTHORIZATIONS. AT THIS TIME, THE DIRECTOR-GENERAL OF THE PEOPLE'S POLICE FORCE, RANGOON, IS THE COMPETENT BURMESE AUTHORITY FOR THIS PURPOSE, HAVING BEEN SO DESIGNATED BY THE GOVERNMENT OF THE UNION OF BURMA. THEREFORE, FOR THE PURPOSES OF LICIT INTERNATIONAL TRADE PURSUANT TO THE TREATY, NO PARTY MAY IMPORT A DRUG FROM BURMA WITHOUT THE CONSIGNMENT BEING ACCOMPANIED BY AN EXPORT AUTHORIZATION ISSUED BY THAT DESIGNATED AUTHORITY. SINCE THE INSURGENT GROUP OPERATING IN THE SHAN STATE WOULD PRESUMABLY BE UNABLE TO SECURE THE NECESSARY AUTHORIZATION, A PARTY TO THE CONVENTION IMPORTING FROM SUCH FACTIONS WOULD BE IN VIOLATION OF THE TREATY.

"(3) WERE THE LEGAL DIFFICULTIES RAISED BY THE PROPOSAL TO BUY LIMITED OFFICIAL USE

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PAGE 02 GENEVA 03511 02 OF 02 141346Z

OPIUM FROM INSURGENT GROUPS SUCH AS THE "SHAN STATE ARMY" PUT ASIDE, PRACTICAL CONSIDERATIONS MILITATING AGAINST THIS ACTION WOULD REMAIN. AS NOTED ABOVE, THE BOARD IS UNAWARE OF ANY CONTROL BEING EXERCISED OVER THE PRODUCTION OF OPIUM IN THIS REGION IN SPITE OF SEVERAL UNSUCCESSFUL ATTEMPTS BY THE BURMESE AUTHORITIES IN INSTITUTE THE NECESSARY MEASURES. SINCE IN ORDER TO INCREASE FUNDS AT THEIR DISPOSAL THE CULTIVATORS COULD EXPAND THE AMOUNT OF LAND DEVOTED TO THIS CROP AT WILL, THERE IS NO REASON TO BELIEVE THAT PRE-EMPTIVE BUYING WOULD RESULT IN A REDUCTION IN THE AVAILABILITY OF OPIUM FOR ILLICIT PURPOSES. INDEED, THIS POLICY MIGHT ENCOURAGE GREATER PRODUCTION TO MEET THE DEMANDS MADE BOTH BY ILLICIT TRAFFICKERS AND PRE-EMPTIVE PURCHASERS. "MOREOVER, IF THIS STEP WERE TAKEN IN BURMA, IT IS NOT UNLIKELY THAT GROUPS IN THE SEVERAL COUNTRIES HAVING UNCONTROLLED PRODUCTION WOULD INSTITUTE PROGRAMMES WHEREBY THEY WOULD ATTEMPT TO SELL OPIUM TO OTHER NATIONS DESIRING AT THIS TIME TO IMPORT THE DRUG. IN FACT, THESE IMPORTERS MAY SEEK TO INITIATE TRADE IN THOSE AREAS WHERE THERE IS UNCONTROLLED PRODUCTION. THIS WOULD GRAVELY IMPERIL THE INTERNATIONAL CONTROL SYSTEM AND COULD RESULT IN A RAPID OVER-AVAILABILITY OF OPIUM FOR LICIT PURPOSES. WERE THIS TO HAPPEN AND CONSEQUENTLY THE POLICY OF PRE-EMPTIVE BUYING REDUCED OR ABANDONED, LARGER QUANTITIES OF THE DRUG WOULD THEN ENTER INTERNATIONAL ILLICIT CHANNELS. "IT SHOULD BE NOTED THAT MEMBERS OF THE BOARD FOR A NUMBER OF YEARS HAVE CONSIDERED THE QUESTION OF PRE-EMPTIVE BUYING OF ILLICIT OPIUM. THEY HAVE COME TO THE CONCLUSION THAT THE BEST METHOD OF DEALING WITH THIS ADMITTEDLY DIFFICULT SITUATION IS TO CALL FOR THE GRADUAL REDUCTION OF UNCONTROLLED PRODUCTION TOWARD THE AIM OF ITS EVENTUAL ELIMINATION. PROJECTS TOWARD THIS END HAVE BEEN UNDERTAKEN IN SEVERAL COUNTRIES. IT IS THE BOARD'S OPINION THAT THE ADOPTION OF THE POLICY OF PRE-EMPTIVE BUYING OF OPIUM WOULD REVERSE THIS TREND AND ULTIMATELY RESULT IN INCREASING THE AVAILABILITY OF OPIUM AND ITS ALKALOIDS ON THE ILLICIT MARKET.

"IN SUMMARY, THE INTERNATIONAL NARCOTICS CONTROL BOARD, FOR
LEGAL AND PRACTICAL REASONS WOULD BE OPPOSED TO THE PRE-EMPTIVE
PURCHASE OF OPIUM PRODUCED IN THE SHAN STATE. THE PRESIDENT
AND THE SECRETARY OF THE BOARD REMAIN AVAILABLE TO DISCUSS THIS
MATTER FURTHER. END QUOTE.DALE

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